

Message Text

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ORIGIN EB-07

INFO OCT-01 EUR-12 ISO-00 DODE-00 NSAE-00 USIA-06
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PM-04 H-01 INR-07 L-03 NSC-05 PA-01 PRS-01 SP-02
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FM SECSTATE WASHDC
TO AMEMBASSY PARIS
INFO AMEMBASSY MOSCOW

C O N F I D E N T I A L STATE 146919

EMBASSY USOECD

E.O. 11652:XGDS - 1

TAGS: ESTC, COCOM, FR, UR

SUBJECT: COMPUTER SYSTEMS FOR SOVIET MACHINE TOOL
INDUSTRY (ENIMS) -

REF: OECD PARIS 10689

1. THE EMBASSY ECONOMIC COUNSELLOR, ACCOMPANIED BY THE
US DELEGATE TO COCOM, IS REQUESTED TO PRESENT THE
FOLLOWING NOTE AT AN APPROPRIATE HIGH LEVEL TO THE
MINISTRY OF FOREIGN AFFAIRS:

(USUAL COURTESIES)

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2. ON NOVEMBER 2, 1976 THE UNITED STATES DELEGATION TO
COCOM SUBMITTED A MEMORANDUM (COCOM DOCUMENT (76) 1887)
TO THE COORDINATING COMMITTEE REPORTING THE DENIAL BY
U.S. AUTHORITIES OF A REQUEST FOR AN IBM 370/158 COMPUTPR
SYSTEM FOR THE EXPERIMENTAL MACHINE TOOL RESEARCH
INSTITUTE IN MOSCOW (ENIMS). A PROPOSAL BY THE VENDOR
TO SUPPLY A DENIGRATED SYSTEM ALSO FACED DENIAL BY U.S.

AUTHORITIES.

3. AT THAT TIME THE UNITED STATES REQUESTED THE

COOPERATION OF OTHER COCOM COUNTRIES IN REFRAINING

FROM PROVIDING COMARABLE COMPUTER SYSTEMS TO ENIMS SO THAT A CONSISTENT DENIAL POLICY MIGHT BE APPLIED. IN ADDITION, THE U.S. BILATERALLY ASKED FRANCE, THE UNITED KINGDOM, THE FEDERAL REPUBLIC OF GERMANY AND JAPAN, TO COOPERATE IN EMBARGOING TO ENIMS COMPUTER SYSTEMS OF ITS DOMESTIC MANUFACTURERS, WHO WOULD BE POTENTIAL ALTERNATIVE SUPPLIERS.

4. THE UNITED KINGDOM, THE FEDERAL REPUBLIC OF GERMANY, AND JAPAN SUBSEQUENTLY AGREED TO THE APPROPRIATENESS OF DENYING WESTERN COMPUTERS TO ENIMS. FRANCE RESPONDED BY LETTER ON APRIL 1: "THE FRENCH AUTHORITIES UNDERSTAND IN A GENERAL WAY THE U.S. GOVERNMENT'S CONCERN OVER ENIMS. NEVERTHELESS, IN THE PARTICULAR CASE IN POINT THEY ARE UNABLE, NOT HAVING SUFFICIENT INFORMATION ON THE END-USE OF THIS COMPUTER, TO TAKE A POSITION ON THE REQUEST PRESENTED BY THE U.S. DELEGATION IN COCOM DOCUMENT (76) 1887.

5. "THE FRENCH AUTHORITIES NOTE WITH INTEREST, HOWEVER, CONFIDENTIAL

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THE POSITION OF THE U.S. AUTHORITIES IN THIS MATTER AND THANK THE LATTER FOR HAVING KEPT THEM INFORMED."

6. FAILURE TO OBTAIN THE AGREEMENT OF FRANCE TO THE EMBARGO OF THIS EQUIPMENT, WOULD BREAK WITH THE TRADITION OF UNANIMITY IN COCOM, PLACING THE UNITED STATES IN THE FOLLOWING DILEMMA:

A. WITHOUT UNANIMITY THE EFFECT OF THE EMBARGO OF THIS EQUIPMENT TO THIS END-USER WOULD BE INEFFECTIVE. FOR, ALTHOUGH WE BELIEVE THE ARGUMENT TO DENY THE SALE OF COMPUTERS OF THIS TYPE TO ENIMS IS SOUND, WE DO NOT WANT TO DISCRIMINATE AGAINST A U.S. EXPORTER BY DENIAL OF AN EXPORT LICENSE, WHILE ANOTHER MEMBER COUNTRY COULD PERMIT SUCH A TRANSACTION TO TAKE PLACE.

B. IF WE DECIDED TO LICENSE THE U.S. COMPUTER ON THE GROUNDS THAT UNILATERAL U.S. DENIAL WOULD BE INEFFECTIVE IN THE ABSENCE OF UNANIMITY IN COCOM, WE WOULD BE ACTING CONTRARY TO THE POSITION WE HAD ASKED OUR COCOM COLLEAGUES TO ACCEPT, AND WHO IN LARGE MEASURE DEEMED DENIAL JUSTIFIED.

7. THE COMPUTER SYSTEM FOR WHICH THE UNITED STATES HAD A PENDING EXPORT LICENSE APPLICATION, WAS, ACCORDING TO THE EXPORTER, TO BE USED IN THE FOLLOWING FOUR PRINCIPAL APPLICATION AREAS:

1. NUMERICAL CONTROL TAPE PREPARATION (45)
2. PRODUCTION PLANNING AND INVENTORY CONTROL (14)
3. COMMERCIAL BATCH WORK, PROGRAM DEVELOPMENT AND TELEPROCESSING (28)
4. GENERAL ENGINEERING CALCULATIONS (11)

THE ABOVE PERCENTAGES WERE FOR THE APPROXIMATE
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PROPORTIONS OF AVAILABLE USEFUL MACHINE TIME ESTIMATED
FOR EACH APPLICATION.

8. SUPPLEMENTING INFORMATION PREVIOUSLY SUPPLIED TO THE FRENCH GOVERNMENT, THE BASIS FOR CONCERN IS THAT ENIMS IS THE FOCAL POINT FOR THE DESIGN AND DEVELOPMENT OF MACHINE TOOL PROTOTYPES IMPORTANT IN MILITARY PRODUCTION. IT DEVELOPS HIGH-PRECISION MACHINE TOOLS (E.G. MASTER MACHINES), INDIVIDUAL MACHINE TOOL UNITS AND ELEMENTS, PRECISION MEASURING METHODS AND EQUIPMENT. OUR INTELLIGENCE ADVISES THAT ENIMS IS NOW WORKING ON A HIGH-PRIORITY PROGRAM TO DEVELOP HIGH PRECISION, MULTI-AXIS, NUMERICALLY-CONTROLLED MACHINE TOOLS. IN SUM, IT IS RESPONSIBLE FOR DEVELOPING THE LATEST STATE-OF-THE-ART NUMERICALLY CONTROLLED EQUIPMENT -- EQUIPMENT OF THE TYPE CURRENTLY EMBARGOED BY COCOM. A WESTERN COMPUTER SYSTEM FOR ENIMS, COULD ENHANCE SOVIET RESEARCH AND DEVELOPMENT CAPABILITIES IN A MILITARY SIGNIFICANT AREA IN WHICH COCOM COUNTRIES MAINTAIN A SIZEABLE LEAD.

9. THE UNITED STATES GOVERNMENT UNDERSTANDS THAT THERE IS A CLOSE COMMERCIAL RELATIONSHIP BETWEEN FRANCE AND THE SOVIET UNION IN THE AREA OF MACHINE TOOLS; THAT THE FRENCH MACHINE TOOL BUILDING INDUSTRY EXPORTS ROUGHLY 40 OF ITS PRODUCTION TO THE USSR, AND THAT THE USSR EXPORTS A SIZEABLE QUANTITY OF MACHINE TOOLS TO THE REPUBLIC OF FRANCE. BECAUSE OF THIS IMPORTANT TRADE RELATIONSHIP, AND THE COOPERATION AGREEMENT BETWEEN FRANCE AND THE USSR IN THIS FIELD, WE CAN APPRECIATE THE RETICENCE OF THE GOF IN SUPPORTING THE U.S. PROPOSAL. FOR THIS REASON, WE WISH TO MAKE CLEAR THAT WE ARE NOT ADVOCATING COMPLETE EMBARGO OF ALL
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GOODS AND EQUIPMENT TO ENIMS.

10. HOWEVER, THE UNITED STATES HAS NOW DECIDED TO DENY THE SALE FROM THE U.S. OF THE DENIGRATED SYSTEM TO THE SOVIETS. IN DOING SO, THE U.S. HAS ASSUMED THAT, IN THIS PARTICULAR CASE, THE FRENCH GOVERNMENT WILL COOPERATE IN SUPPORTING THE POSITION OF OTHER POTENTIAL WESTERN COMPUTER SUPPLIERS THAT THE SALE OF COMPUTERS TO ENIMS SHOULD BE DENIED. THESE STRATEGIC CONCERNS ARE OF MAJOR IMPORTANCE TO THE SECURITY OF THE

WEST. THE UNITED STATES WOULD APPRECIATE RECEIVING CONFIRMATION OF THE ACCURACY OF THIS ASSUMPTION. CHRISTOPHER

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Message Attributes

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Current Classification: UNCLASSIFIED
Concepts: MACHINE TOOL INDUSTRY, COMPUTERS
Control Number: n/a
Copy: SINGLE
Sent Date: 23-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: AJREICHENBACH:LLB
Enclosure: n/a
Executive Order: X1
Errors: N/A
Expiration:
Film Number: D770225-1289
Format: TEL
From: STATE
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TAGS: ESTC, FR, UR, COCOM
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